

Application Serial No. 09/843,550

**REMARKS**

This amendment is presented in response to the office action mailed July 28, 2005. By the amendment, claims 1, 6, 9, 14, 17, 22, 25 were changed. Claims 1-25 remain in the application.

**RESOLVING SOME CONFUSION IN OFFICE ACTION**

The office action contained a number of errors, most likely due to typographic or inadvertent clerical errors. With the intent of being fully responsive to the office action as best possible, the following discussion outlines the rejections as Applicant best understands them.

The office action rejected claims 1-24 as being unpatentable under 35 USC 102(e) over U.S. Patent No. 6,754,646 to Walker et al. [Office Action: page 3, numbered paragraph 5] The inventors of the cited patent are Wang et al., not Walker et al. By consulting the form PTO-892 attached to the office action, Applicant identified U.S. Patent No. 6,754,636 to Walker et al. Applicant assumes that the 35 USC 102(e) rejection of page 3 (numbered paragraph 5) was intended to apply U.S. Patent No. 6,754,636. The discussion of 35 USC 102(e) below assumes that the intended rejection is such.

The office action limited its 35 USC 102(e) rejection to claims 1-24. [Office Action: page 3, numbered paragraph 5] Nevertheless, the office action specifically addressed claim 25 at page 8. Therefore, although not expressly stated, the office action's 35 USC 102(e) rejection is assumed to apply to claim 25 in addition to claims 1-24. The ensuing discussion treats this as the intended rejection.

The office action applied 35 USC 101 to claims 1-24. [Office Action: page 3, numbered paragraph 5] In view of the omissions mentioned above, Applicant considered whether the 35 USC 101 rejection was intended to additionally apply to claim 25. As the office action did not name claim 25 in the rejection (page 3), and omitted this claim from detailed discussion that specifically addressed other claims in context of the 35 USC 101 rejection (page 2), Applicant concluded that

Application Serial No. 09/843,550

the office action did not intend to reject claim 25 under 35 USC 101. Therefore, claim 25 does not require discussion in the context of 35 USC 101 in order to constitute a complete response to the pending office action.

35 USC 101 REJECTIONS: CLAIMS 1-24

Claims 1-24 were rejected under 35 USC 101 as being directed to non-statutory subject matter. The claims (as amended) are patentable under section 101.

35 USC 102 REJECTIONS: CLAIMS 1-25

These claims were rejected under 35 USC 102(e) as being unpatentable over Walker. Applicant traverses this rejection because the applied art does not teach the features of the claims, as required. Taking claim 1 as an example, Walker fails to teach the following combination:

"A computer-implemented method for determining a price of goods made by a manufacturer in response to at least one electronic price request from a buyer for the goods, comprising the acts of:  
receiving the electronic price request from the buyer;  
in response to the electronic price request, performing a computer-executed act of determining whether title to the goods passes directly from the manufacturer to the buyer or through an intermediate e-market place;  
computing a price of the goods to the buyer based at least partially on the determining act;  
providing the buyer with a machine-readable signal for displaying the computed price."

The examiner bears the burden of establishing a *prima facie* case of anticipation.<sup>1</sup> The prior art reference must disclose each element of the claimed invention, as correctly interpreted, and as arranged in the claim.<sup>2</sup> A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. The

<sup>1</sup> In re King, 801 F.2d 1324, 1327, 231 USPQ 136, 138-139 (Fed. Cir. 1986).

<sup>2</sup> Lindermann Maschinentabrik GmbH v. American Hoist & Derrick Co., 730 F.2d 1452, 221 USPQ 481, 485 (Fed. Cir. 1984).

Application Serial No. 09/843,550

identical invention must be shown in as complete detail as is contained in the claim.<sup>3</sup>

In general, Walker concerns purchasing systems where a buyer purchases goods online, but takes possession at a local retailer. [Walker: col. 1, lines 38-44] By aiding buyers to purchase online yet physically collect the goods at a local retailer, Walker's system is said to help manufacturers establish a pricing relationship directly with buyers without establishing their own online service in direct competition with their retailer's tradition distribution channel. [Walker: col. 2, lines 48-56] Also, this is said to avoid drawbacks of having to ship products to customers. [Walker: col. 2, lines 17-26] Of course, the retailer receives money for its part in the transaction. [Walker: FIG. 15]

The system of Walker diverges from claim 1 in a number of respects. Claim 1 recites a "method for determining a price of goods made by a manufacturer in response to at least one electronic price request from a buyer." In contrast, Walker's purchasing system device 300 acts responsive to a buyer offer (including a buyer-defined offer price). If a seller agrees to the buyer's offer, the buyer pays and a retailer makes the product available to the buyer. Walker's purchasing system, in turn, pays the retailer a "settlement amount" for its services in providing the product to the buyer. [Walker: col. 5, lines 18-35; FIG. 15] Walker, then, does not provide a "method for determining a price of goods made by a manufacturer in response to at least one electronic price request from a buyer."

Considering claim 1 in greater detail, Walker further lacks an operation of "receiving the electronic price request" from a buyer of goods. As discussed above, Walker utilizes a different approach in which the buyer proposes a sales price. [Walker: col. 5, lines 18-35] See also, Walker's col. 3 (lines 38-52), col. 7 (lines 48-61), col. 8 (lines 3-30), col. 10 (lines 23-29), FIGS. 12A-12B, col. 12 (lines 29-43), as well as many more occasions. Consequently, Walker does not

---

3 MPEP 2131.

Application Serial No. 09/843,550

receive an electronic price request from a buyer of goods, since a buyer proposed offer is used instead.

Walker further lacks acts of, "in response to the electronic price request, performing a computer-executed act of determining whether title to the goods passes directly from the manufacturer to the buyer or through an intermediate e-market place. Since Walker does not teach the claimed electronic price request, Walker necessarily does not show "in response to the electronic price request... determining whether title to the goods passes..."

Walker further lacks the claimed operation of "computing a price of the goods to the buyer based at least partially on the determining act", that is, the act of determining how title to goods passes. As mentioned above, Walker's buyer sets his/her own price, and Walker's purchase system merely acts to find a seller, if any, capable of providing the requested goods at that price. Walker does not compute the goods' price based on how title passes.

As Walker evaluates products that might meet the buyer's offered price Walker purportedly does consider whether a product's seller is also the manufacturer (ref. 953, FIG. 9E; FIG. 10A). If the seller is the retailer, the retailer's price is simply used to evaluate the buyer's offer (ref. 956, FIG. 9E); if the manufacturer is the seller, various retailers must be considered to determine which retailer to use, or even whether the buyer's offer should be rejected (ref. 954-955, FIG. 9E). However, in no case does Walker compute a price of goods based on how title passes. In fact, Walker's ultimate output is not the price of goods to the buyer, but rather a decision of whether to accept the buyer's offer. [Walker: ref. 955, FIG. 9E]

In a different context, Walker again considers whether the seller is the manufacturer. [Walker: ref. 1062, FIG. 10B] In this case, the seller/manufacturer inquiry is made during the process of determining how much to pay the retailer. In the case of a manufacturer seller, the settlement price is provided to the retailer at 1063. On the other hand, when the retailer also acted as the seller, the buyer price may simply be provided to the retailer. [Walker: col. 20, lines 45-64; refs. 1062-1064, FIG. 10B] Therefore, step 1062 merely asks whether the seller

Application Serial No. 09/843,550

is the manufacturer in order to assess payment due to the retailer. This has nothing to do with "computing the price of goods to the buyer..." as claimed. Consequently, Walker fails to teach computing a price of the goods to the buyer based at least partially on the act of determining how title to goods passes, as claimed.

Although Walker purportedly maintains a pricing database 2000 containing figures such as retail price and settlement price (FIG. 20), this has nothing to do with computing price of goods to the buyer. Rather than anything to do with Walker's online purchasing system 300, the database 2000 merely serves as an example of a database that might be kept by a local retailer in order to keep track of their own prices to be charged to a typical buyer of the street ("retail prices" 2020), and also to track prices that the retailer should expect in exchange for redeeming a voucher for one of Walker's online purchasing system 300 customers. [Walker: col. 26, lines 13-28] These prices have no relation to the actions of Walker's online purchasing system 300 in making sales to buyers. Furthermore, there is no disclosure about how prices in the database 2000 are computed, let alone, that they might be computed "... at least partially on the determining act", that is, the act of determining how title to goods passes, as claimed.

Finally, Walker does not teach "providing the buyer with a machine-readable signal for displaying the computed price." Walker fails to compute a price of goods to the buyer, as discussed above, because the source of Walker's price of goods is the buyer's offer. Along these lines, Walker would have no need to provide the buyer with a computed price, since the price originated from the buyer. As discussed above, Walker's consideration of whether the seller was a manufacturer was merely used to determine whether to accept the buyer's offer (ref. 955, FIG. 9E) or to determine how much to pay the retailer (ref. 1063-1064, FIG. 10B). In no case does Walker provide an output price to the buyer.

Accordingly, for the foregoing reasons, claim 1 is patentably distinguished from Walker. For similar reasons, independent claims 9 and 17 are also patentably distinguished from Walker. Claim 25 is additionally patentable under

Application Serial No. 09/843,550

the same rationale, and for additional reasons as well. For instance, Walker does not teach "receiving from the buyer an electronic message comprising an RFQ." As discussed in detail above, Walker evaluates a buyer proposed purchase price and accepts it or not. Walker fails to disclose a buyer submitted request for quote. Furthermore, Walker does not teach "responsive to receiving the RFQ, determining a price of the goods based at least partially upon a manufacturer's specification as to whether title to the goods will pass directly from the manufacturer to the buyer or through an intermediate." Walker fails to contemplate any "manufacturer's specification" of title passage whatsoever. Rather, as discussed above, Walker provides a purchasing system that, for example, uses information in the local product database to determine if a buyer offer will be accepted and/or which products will be used to fulfill the buyer offer. [Walker: col. 18, line 40 – col. 19, line 15] Walker's purchasing system, for example, arranges for the buyer to purchase the product from a "seller," such as the product manufacturer, a retailer, the purchasing system or any other party. [Walker: col. 5, lines 46-53] Accordingly, Walker does not teach determining a price of goods to a buyer based (at least partially) upon the manufacturer's specification as to how title passes. Accordingly, claim 25 is patentable *a fortiori* relative to the reasons given above for patentability of independent claims 1, 9, and 17.

Moreover, even without considering any individual merits of dependent claims 2-8, 10-16, and 18-24, these claims are distinguished because they depend from independent claims 1, 9, or 17, which are distinguished as discussed above.<sup>4</sup>

Nonetheless, an example is given to show features of these dependent claims that even further distinguish over the applied art. Namely, the applied art fails to teach the method of determining the price of goods from claim 1 "wherein a discount is determined based on at least one of: an advance scheduling of an

---

<sup>4</sup> Cf. If an independent claim is nonobvious under 35 USC 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988). MPEP 2143.03.

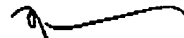
Application Serial No. 09/843,550

order, an industry segment of the buyer, a credit rating of the buyer, and a stocking/handling charge." The office action suggested that Walker's consideration of a buyer's address or location somehow constitutes discount determined based on a stocking/handling charge. [Office Action: page 4] Without more, there would not seem to any relation between the buyer's address or location and a stocking/handling charge. Retailers should have a flat fee for handling or stocking, not one that would discriminate against people based on where they live. The suggested interpretation of Walker is not only absent from Walker's figures and text, but it might be illegal under state and federal law. Consequently, Walker does not teach "wherein a discount is determined based on at least one of: an advance scheduling of an order, an industry segment of the buyer, a credit rating of the buyer, and a stocking/handling charge," as claimed.

#### CONCLUSION

In view of the foregoing, all pending claims in the application are patentable over the applied art. Favorable reconsideration and allowance of the application are hereby requested.

Respectfully Submitted,



Michael Glenn  
Reg. No. 30,176

Customer 22,862